GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:3548
ANSWERED ON:20.08.2004
EXPORT OF READY MADE GARMENTS
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Will the Minister of TEXTILES be pleased to state:

(a) the countries to which readymade garments are being exported at present;

(b) the foreign exchange earned by exporting ready-made garments during the last three years;

(c) the details of target set for exports during this period as well as current year; and

(d) the steps being taken by the Government to achieve the above target?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

(a) India`s readymade garments are exported to more than hundred countries of the world. However, the USA, EU Member States, U.A.E., Japan, Saudi Arabia, Canada, Hong Kong, Malaysia, Australia, etc. have been the major importing countries of our readymade garments during the last three years.

(b) As per available Directorate General of Commerce Intelligence & Statistics (DGCI&S) data, the readymade garments exports during the last three years i.e. 2001-02, 2002-03 and 2003-04 have been, as given below:-

Year	Value (in US$ Million)
April 2001-March 2002	4618.7
April 2002-March 2003	5334.3
April 2003-March 2004	5625.8

(c) The export target fixed for readymade garments during the last three years i.e. 2001-02, 2002-03, 2003-04 and current year i.e. 2004-05 have been, as given below:-

Year	Target (in US$ Million)
April 2001-March 2002	6300
April 2002-March 2003	6000
April 2003-March 2004	6250
April 2004-March 2005	6000

(d) To strengthen domestic textile industry for meeting the growing global competition and achieving export target, the following important announcements has been made in the Union Budget 2004-05:

- Except for mandatory excise duty on polyester filament yarn including texturised yarn, synthetic and artificial fibres and synthetic and artificial filament yarns, the whole value addition chain has been given excise exemption option.

- Additional Excise Duty on Textiles & Textile Articles (AT&T) and Additional Excise Duty (Goods of Special Importance) Act have been abolished.

- Basic customs duty on various textile machinery and spare parts has been reduced to 5%.

Beside, Government has been taking a number of steps from time to time to enable the textile industry to achieve export targets. Some of the important initiatives taken are:

i) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernisation and upgradation of the sector.

ii) Weaving, processing and garment machinery, which are covered under TUFS, have been extended the facility of accelerated depreciation at the rate of 50%. Cost of machinery has also been reduced through Fiscal Policy measures. This further encourages modernisation.

iii) The Government has launched a centrally sponsored scheme titled `Apparel Park for Export Scheme` for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres and to give fillip to exports.

iv) For upgrading infrastructure facilities at important textile centers, a scheme `Textile Centre Infrastructure Development Scheme` (TCIDS) has been launched.